

The background of the slide is a dense, close-up photograph of numerous circular cross-sections of wood. These sections are of various sizes and are arranged in a somewhat chaotic but textured pattern. The wood colors range from light tan and yellow to deep browns, with some sections showing prominent growth rings and others showing more uniform textures. The lighting appears to come from the side, creating subtle shadows and highlights that emphasize the natural grain and imperfections of the wood.

# **The Vermont Forest Economy:**

## **Statute and Policy**

# OVERVIEW

- Forest Economics and the Importance of Forests on the State Economy
- State Policy for Management of Forests and Promotion of Forest Economy
- Discussion of Regulatory Requirements, Including Regulatory Exceptions
- Review of Promotion of the Forest Economy by the General Assembly
- Summary of Legislative Reports and Proposed Bills
- Conclusion



- The Vermont forest-based industry (forest products, maple syrup products, and Christmas trees) contributes \$861 million in sales to the State's economy annually.
- The Vermont forest-based industry provides direct employment for about 6,600 people (FTE).
- Economic models accounting for the multiplier effect in other segments of the economy estimate that the forest products industry in Vermont actually contributes 10,555 jobs and \$1.4 billion in economic output.
- Forest-related recreation and tourism provides an additional \$1,936 million per year to the State's economy.

# THE ECONOMIC IMPORTANCE OF VERMONT FORESTS IN STATUTE

**10 V.S.A. § 2600(2)–(3)—Findings.** Added 2016 Acts & Resolves No. 171

(2) The forest products industry, including maple sap collection:

(A) is a major contributor to and is valuable to the State's economy by providing jobs to its citizens;

(B) is essential to the manufacture of forest products that are used and enjoyed by the people of the State; and

(C) benefits the general welfare of the people of the State.

(3) Private and public forestlands are critical for and contribute significantly to the State's outdoor recreation and tourism economies.





# **THE ECONOMIC IMPORTANCE OF VERMONT FORESTS**

## **10 V.S.A. § 2600(4)–(5)—Findings**

(4) Forestry operations are adversely affected by the encroachment of urban, commercial, and residential land uses throughout the State that result in forest fragmentation and conversion and erode the health and sustainability of remaining forests.

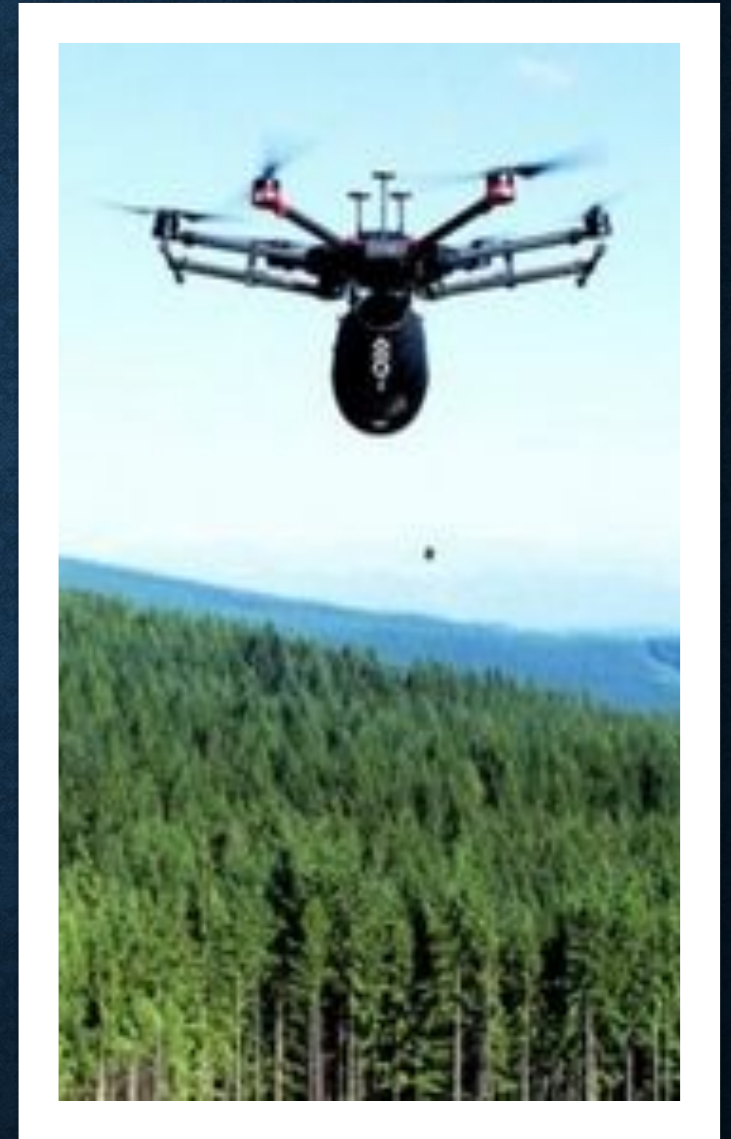
(5) As a result of encroachment on forests, conflicts have arisen between traditional forestry land uses, and urban, commercial, and residential land uses convert forestland permanently to other uses, resulting in an adverse impact to the economy and natural environment of the State.

# THE ECONOMIC IMPORTANCE OF VERMONT FORESTS

## 10 V.S.A. § 2600(6)–(7)—Findings

(6) The encouragement, development, improvement, and preservation of forestry operations will result in a general benefit to the health and welfare of the people of the State and the State's economy.

(7) The forest products industry, in order to survive, likely will need to change, adopt new technologies, and diversify into new products.



# MANAGEMENT OF FORESTS: POLICY AND PURPOSE



(a) The conservation of the forests, timberlands, woodlands, and soil and recreational resources of the State are hereby declared to be in the public interest. It is the policy of the State to encourage economic management of its forests and woodlands, to sustain long-term forest health, integrity, and productivity, to maintain, conserve, and improve its soil resources, and to control forest pests to the end that forest benefits, including maple sugar production, are preserved for its people, floods and soil erosion are alleviated, hazards of forest fires are lessened, its natural beauty is preserved, its wildlife is protected, the development of its recreational interests is encouraged, the fertility and productivity of its soil are maintained, the impairment of its dams and reservoirs is prevented, its tax base is protected, and the health, safety, and general welfare of its people are sustained and promoted.



10 V.S.A.  
§ 2601(b)

# MANAGEMENT OF FORESTS: POLICY AND PURPOSE

(b) The Department shall implement the policies of this chapter by assisting forestland owners and lumber operators in the cutting and marketing of forest growth, encouraging cooperation between forest owners, lumber operators, and the State of Vermont in the practice of conservation and management of forestlands, managing, promoting, and protecting the multiple use of publicly owned forestlands and park lands; planning, constructing, developing, operating, and maintaining the system of State parks; determining the necessity of repairs and replacements to all Department-owned buildings and causing urgent repairs and replacements to be accomplished, with the approval of the Secretary of Administration, if within the limits of specific appropriations or if approved by the Emergency Board; and providing advice and assistance to municipalities, other political subdivisions, State departments, and nongovernmental organizations in the development of wholesome and adequate community or institutional recreation programs.

# POWERS AND DUTIES OF COMMISSIONER

## 10 V.S.A. § 2603

(a) The Department shall be under the direction and supervision of a Commissioner appointed by the Secretary as provided in 3 V.S.A. § 2851. In addition to the duties and powers provided under this chapter, the Commissioner shall have the powers and duties specified in 3 V.S.A. § 2852 and such additional duties as may be assigned to the Commissioner by the Secretary under 3 V.S.A. § 2853. The Commissioner shall implement the policy and purposes specified in section 2601 of this title where appropriate and to the extent that resources of the Department permit.

\* \* \*



# POWERS AND DUTIES OF COMMISSIONER

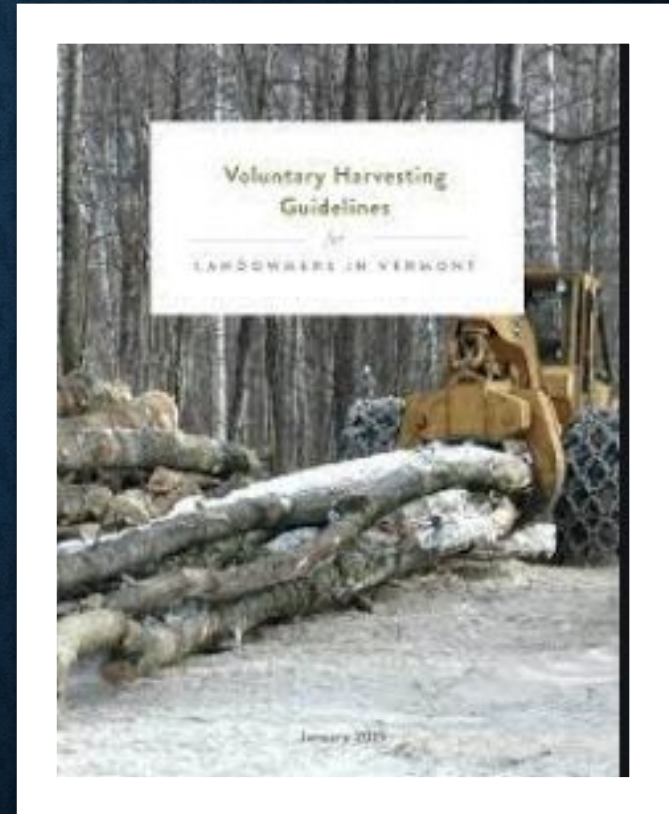
## 10 V.S.A. § 2603(b)

(b) The Commissioner shall manage and plan for the use of publicly owned forests and park lands in order to implement the policy and purposes of this chapter, promote and protect the natural, productive and recreational values of such lands, and provide for multiple uses of the lands in the public interest. The Commissioner may sell forest products and other resources on public lands and shall administer the State park system and a community recreation program as is in the best interests of the State and is consistent with the purposes and policies of this chapter.



# STATUTORY REQUIREMENTS ON FORESTRY OPERATIONS: 10 V.S.A. § 2622(a)

(a ) Silvicultural practices. The Commissioner shall adopt rules to establish methods by which the harvest and utilization of timber in private and public forestland will be consistent with continuous forest growth, including reforestation, will prevent wasteful and dangerous forestry practices, will regulate heavy cutting, **will encourage good forestry management**, will enable and assist landowners to practice good forestry management, and will conserve the natural resources consistent with the purposes and policies of this chapter, **giving due consideration to the need to ensure continuous supplies of forest products and to the rights of the owner or operator of the land**. The rules adopted under this subsection shall be advisory and not mandatory except that the rules adopted under section 2625 of this title for the regulation of heavy cutting shall be mandatory as shall other rules specifically authorized to be mandatory.



# VERMONT WATER QUALITY

Acceptable Management Practices  
Manual for Logging Professionals



VT • 2019

## STATUTORY REQUIREMENTS ON FORESTRY OPERATIONS: 10 V.S.A. § 2622(b)

(b) Acceptable management practices. On or before July 1, 2016, the Commissioner shall revise by rule the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont. The revised acceptable management practices shall ensure that **all logging operations, on both public and private forestland, are designed to: prevent or minimize discharges of sediment, petroleum products, and woody debris (logging slash) from entering streams and other bodies of water; improve soil health of forestland; protect aquatic habitat and aquatic wildlife; and prevent erosion and maintain natural water temperature.** The purpose of the acceptable management practices is to provide measures for loggers, foresters, and landowners to utilize, before, during, and after logging operations, to comply with the Vermont Water Quality Standards and minimize the potential for a discharge from logging operations in Vermont in accordance with section 1259 of this title. The rules adopted under this subsection shall be advisory and not mandatory.

# STATUTORY REQUIREMENTS: HEAVY CUT, NOTICE OF INTENT TO CUT 10 V.S.A. § 2625(b)

(b) Notice of intent to cut. The following landowners shall file a notice of intent to cut with a Department field forester at least 15 days before commencing a heavy cut:

(1) A landowner who intends to conduct a heavy cut of 40 acres, or more, on land owned or controlled by the landowner.

(2) A landowner who intends to conduct a heavy cut and has conducted heavy cuts on other lands owned or controlled by the landowner, within the five previous years:

(A) within a radius of 1,000 feet of the proposed harvest, so that the total acreage subjected to a heavy cut has exceeded or will exceed 40 acres; or

(B) within a radius of two miles of the proposed harvest, so that the acreage subjected to a heavy cut has exceeded or will exceed 80 acres.

AGENCY OF NATURAL RESOURCES  
DEPARTMENT OF FORESTS, PARKS AND RECREATION

## INTENT TO CUT NOTIFICATION EMERGENCY RULES, STANDARDS AND PROCEDURES

Prepared by: Brian Stone, Chief of Forest Management  
June 23, 1997

AGENCY OF NATURAL RESOURCES  
DEPARTMENT OF FORESTS, PARKS AND RECREATION



# FIREWOOD IMPORTATION

- **10 V.S.A. § 2681(b).** Rulemaking. On or before July 1, 2015, the Commissioner, after consultation with the Secretary of Agriculture, Food and Markets, shall adopt rules regulating the importation of untreated firewood into the State.
- **DFPR Rule 12 020 § 014 4.1.** No person shall transport untreated firewood into the State of Vermont from an origin outside the State of Vermont.
- “Treated firewood” means firewood that has been processed and treated in a manner sufficient to prevent invasive species from surviving, as set forth in rule.

# FORESTERS AND PRACTICE OF FORESTRY

## 26 V.S.A. § 5203. Prohibitions; offenses

(a) It shall be a violation of this chapter for any person, including any corporation, association, or individual, to:

(1) sell or fraudulently obtain or furnish any forestry degree, diploma, certificate of registration, license, or any other related document or record or to aid or abet in so doing;

(2) practice forestry under cover of any degree, diploma, registration, license, or related document or record illegally or fraudulently obtained, or signed or issued unlawfully or under fraudulent representation;

(3) practice forestry unless licensed to do so under the provisions of this chapter;

(4) represent himself or herself as being licensed in this State to practice forestry or use in connection with a name any words, letters, signs, or figures that imply that a person is a forester when not licensed under this chapter; or

(5) practice forestry during the time a license issued under this chapter is suspended or revoked.

\* \* \*



# FORESTERS AND PRACTICE OF FORESTRY

## **26 V.S.A. § 5221. Qualifications for licensure**

Applicants for licensure shall qualify under one of the following paths to licensure:

(1) Possession of a bachelor's degree, or higher, in forestry from a program approved by the Director, satisfactory completion of two years of the SAF Certified Forester experience requirements, and passage of the SAF Certified Forester examination, which may include a State portion if required by the Director by rule.

(2) Possession of a bachelor's degree, or higher, in a forestry-related field from a program approved by the Director, satisfactory completion of three years of the SAF Certified Forester experience requirements, and passage of the SAF Certified Forester examination, which may include a State portion if required by the Director by rule.

(3) Possession of an associate degree in forestry from a program approved by the Director, satisfactory completion of four years of the SAF Certified Forester experience requirements, and passage of the SAF Certified Forester examination, which may include a State portion if required by the Director by rule.

(4) Possession of a valid registration or license to engage in the practice of forestry issued by the appropriate regulatory authority of a state, territory, or possession of the United States, or the District of Columbia, based on requirements and qualifications shown by the application to be equal to or greater than the requirements of this chapter. Such an applicant may be examined on forestry matters peculiar to Vermont and may be granted a license at the discretion of the Director. (Added 2015, No. 166 (Adj. Sess.), § 2.)

# TIMBER TRESPASS



## **13 V.S.A. § 3606a. Trespass; criminal penalty**

(a) No person shall knowingly or recklessly:

(1) cut down, fell, destroy, remove, injure, damage, or carry away any timber or forest product placed or growing for any use or purpose whatsoever, or timber or forest product lying or growing belonging to another person, without permission from the owner of the timber or forest product; or

(2) deface the mark of a log, forest product, or other valuable timber in a river or other place.

(b) Any person who violates subsection (a) of this section shall:

(1) for a first offense, be imprisoned not more than one year or fined not more than \$20,000.00, or both; or

(2) for a second or subsequent offense, be imprisoned not more than two years or fined not more than \$50,000.00, or both. (Added 2015, No. 106 (Adj. Sess.), § 1.)



10 V.S.A. § 6001(3)(D)(i) logging and forestry below 2,500 ft is exempt from Act 250.



10 V.S.A. § 6084(g) small sawmills that produce less than 3.5 million board feet annually and certain projects that involve primary processing of forest products of commercial value are treated as minor applications, which have a shorter application timeline.



10 V.S.A. § 6086(a)(9)(C) requires all applicants to demonstrate that the project with productive forest soils will not result in any reduction in the potential of those soils for commercial forestry.



10 V.S.A. § 6090(b)(1) Act 250 permits for logging above 2,500ft are for a set duration. This means that after the logging is complete, Act 250 jurisdiction does not remain on the land unless something else triggers it.

# ACT 250

# MUNICIPAL REGULATION OF FORESTRY OPERATIONS

**24 V.S.A. §4413(d)(1):** A [municipal bylaw] shall not regulate:

\* \* \*

(B) accepted silvicultural practices, as defined by the Commissioner of Forests, Parks and Recreation, including practices which are in compliance with the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont, as adopted by the Commissioner of Forests, Parks and Recreation; or

(C) forestry operations.

**10 V.S.A. § 2602(6):** “Forestry operation” means activities related to the management of forests, including a timber harvest; pruning; planting; reforestation; pest, disease, and invasive species control; wildlife habitat management; and fertilization. “Forestry operation” includes the primary processing of forest products of commercial value on a parcel where the timber harvest occurs.



# RIGHT TO CONDUCT FORESTRY OPERATIONS

## 12 V.S.A. § 5755(10)

It is in the public interest of the people of the State to ensure that lawfully conducted conventional forestry practices are protected and encouraged and are not subject to public and private nuisance actions arising out of conflicts between forestry operations and urban, commercial, and residential uses.





# RIGHT TO CONDUCT FORESTRY OPERATIONS

(a) Except as provided for under subsections (b) and (c) of this section, a person conducting a conventional forestry practice shall be entitled to a rebuttable presumption that the conventional forestry practice does not constitute a public or private nuisance if the person conducts the conventional forestry practice in compliance with the following:

(1 ) the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont as adopted by the Commissioner under 10 V.S.A. § 2622; and

(2) other applicable law.

(b) The presumption under subsection (a) of this section that a person conducting a conventional forestry practice does not constitute a nuisance may be rebutted by showing:

(1) a nuisance resulted from the negligent operation of the conventional forestry practice;

(2) a nuisance resulted from a violation of State, federal, or other applicable law during the conduct of the conventional forestry practice; or

(3) clear and convincing evidence that the conventional forestry practice has a substantial adverse effect on the health, safety, or welfare of the complaining party.



# PROMOTION OF THE FOREST PRODUCTS INDUSTRY

## 10 V.S.A. § 2701. Policy

It is the policy of the State to encourage the sustainable management and use of its forests and woodlands; to preserve the natural beauty of the State's forests and woodlands; to protect its wildlife; to preserve and protect the forest environment and health; and to promote, foster, and encourage the forestry and forest products industries of the State. To achieve these goals, the General Assembly declares it to be in the best interests of the State to promote opportunities and markets for value-added forest products. Fostering and enhancing the value-added forestry markets will help the State retain and expand the State's forest products manufacturing sector, will retain manufacturing jobs within the State, and will protect the health and viability of the forest environment. (Added 2007, No. 207, § 8.)

# PROMOTION OF THE FOREST PRODUCTS INDUSTRY

## 10 V.S.A. § 2721. Vermont Forestry and Forest Products Viability Program

(a) The Vermont Forestry and Forest Products Viability Program is a voluntary program established at the Department of Forests, Parks and Recreation to provide assistance to Vermont timber harvesters, foresters, and forest products manufacturers to enhance the financial success and long-term viability of the Vermont forest products industry. In administering the Program, the Commissioner shall:

(1) Collaborate with the Vermont Housing and Conservation Board, the members of the Vermont Wood Products Marketing Council, the Vermont Woodlands Association, the Vermont Loggers Association, State agencies, federal agencies, private entities, and service groups to develop, coordinate, and provide technical and financial assistance to Vermont timber harvesters, foresters, and forest products manufacturers.

(2) Include teams of experts to assist timber harvesters, foresters, and forest products manufacturers in areas such as assessing business resources and potential; researching, developing, and adopting new technologies; improving product quality; developing value-added products; finding and reaching new markets; improving and refining existing markets; and lowering costs of production for Vermont's forest products sector.

(3) Encourage economic development through investing in improvements to essential infrastructure and the promotion of timber harvesters, foresters, and forest products manufacturers in Vermont.

# WORKING LANDS ENTERPRISE BOARD

## 6 V.S.A. § 4607. Powers and duties of the Vermont Working Lands Enterprise Board

(a) Duties. The Vermont Working Lands Enterprise Board is charged with:

(1) optimizing the agricultural and forest use of Vermont lands and other agricultural resources;

(2) expanding existing markets and identifying and developing new profitable in-state and out-of-state markets for food, fiber, forest products, and value-added agricultural products, including farm-derived renewable energy; and

(3) identifying opportunities and challenges related to access to capital, infrastructure, product development, marketing, training, research, and education.

\* \* \*

# WORKING LANDS ENTERPRISE BOARD

(6) to establish an application process, eligibility criteria, and criteria for prioritizing assistance for awarding grants, loans, incentives, and other investments in agricultural and forestry enterprises and in food and forest systems;

(7) to award grants and other investments, which may include loans underwritten and administered through the Vermont Economic Development Authority;

(8) to enter into performance contracts with one or more persons in order to provide investment and services to agricultural and forestry enterprises, including:

(A) technical assistance and product research services;

(B) marketing assistance, market development, and business and financial planning;

(C) organizational, regulatory, and development assistance; and

(D) feasibility studies of facilities or capital investments to optimize construction and other cost efficiencies;

(9) to identify workforce needs and programs in order to develop training and incentive opportunities for the agriculture and forest product sectors after consulting with the Department of Labor;

(10) to identify strategic statewide infrastructure and investment priorities considering:

(A) leveraging opportunities;

(B) economic clusters;

(C) return-on-investment analysis;

(D) other considerations the Board determines appropriate;



# WLEB FUNDING

## 2021 Acts & Resolves No. 74, Sec. E.224

### AGRICULTURE, FOOD AND MARKETS –AGRICULTURAL DEVELOPMENT

(a) Of the funds appropriated in Sec. B.224 of this act, the amount of \$594,000 in general funds is appropriated for expenditure by the Working Lands Enterprise Board established in 6 V.S.A. § 4606 for investments in food and forest system businesses and services providers pursuant to 6 V.S.A. § 4607 and consistent with the funding priorities in 2012 Acts and Resolves No. 142, Sec. 5, as amended by 2014 Acts and Resolves No. 179, Sec. E.224.1.

## 2021 Acts & Resolves No. 74, Sec. G.300(b)

(9) \$2,000,000 to the Agency of Agriculture, Food and Markets for grants through the Working Lands Program.

FY21 \$2,594,000

# PROMOTION OF THE FOREST PRODUCTS INDUSTRY

## **10 V.S.A. § 2702. Value-added forest products; financial assistance**

The Commissioner shall award grants of up to \$10,000.00 to applicants engaged in adding value to forest products within the State. A grant awarded under this section may be used by the applicant to pay for expenses associated with State and local permit application costs, project consultation costs, engineering and siting costs, and expert witness analysis and testimony necessary for permitting. (Added 2019, No. 83, § 11)





# **RYEGATE: BASELOAD RENEWABLE POWER PORTFOLIO**

**30 V.S.A. § 8009(b)**

(b) Notwithstanding subsection 8004(a) and subdivision 8005(c)(1) of this title, commencing November 1, 2012, each Vermont retail electricity provider shall purchase the provider's pro rata share of the baseload renewable power portfolio requirement, which shall be based on the total Vermont retail kWh sales of all such providers for the previous calendar year. The obligation created by this subsection shall cease on November 1, 2024.

# LOGGER SAFETY

## **10 V.S.A. § 2622b. Accident prevention and safety training for logging contractors**

(a) Training Program. The Commissioner of Forests, Parks and Recreation shall develop a logging operations accident prevention and safety training curriculum and supporting materials to assist logging safety instructors in providing logging safety instruction. In developing the logging operations accident prevention and safety training curriculum and supporting materials, the Commissioner shall consult with and seek the approval of the training curriculum by the Workers' Compensation and Safety Division of the Department of Labor.

(1) The accident prevention and safety training curriculum and supporting materials shall consist of an accident prevention and safety course that addresses the following:

- (A) safe performance of standard logging practices, whether mechanized or nonmechanized;
- (B) safe use, operation, and maintenance of tools, machines, and vehicles typically utilized and operated in the logging industry; and
- (C) recognition of health and safety hazards associated with logging practices.

(2) The Commissioner shall make the accident prevention and safety training curriculum and supporting materials available to persons, organizations, or groups for presentation to individuals being trained in forest operations and safety.

(b) Request for proposal. The Commissioner shall prepare and issue a request for proposal to develop at least three course curriculums and associated training materials. The Commissioner may cooperate with any reputable association, organization, or agency to provide course curriculums and training required under this subsection.

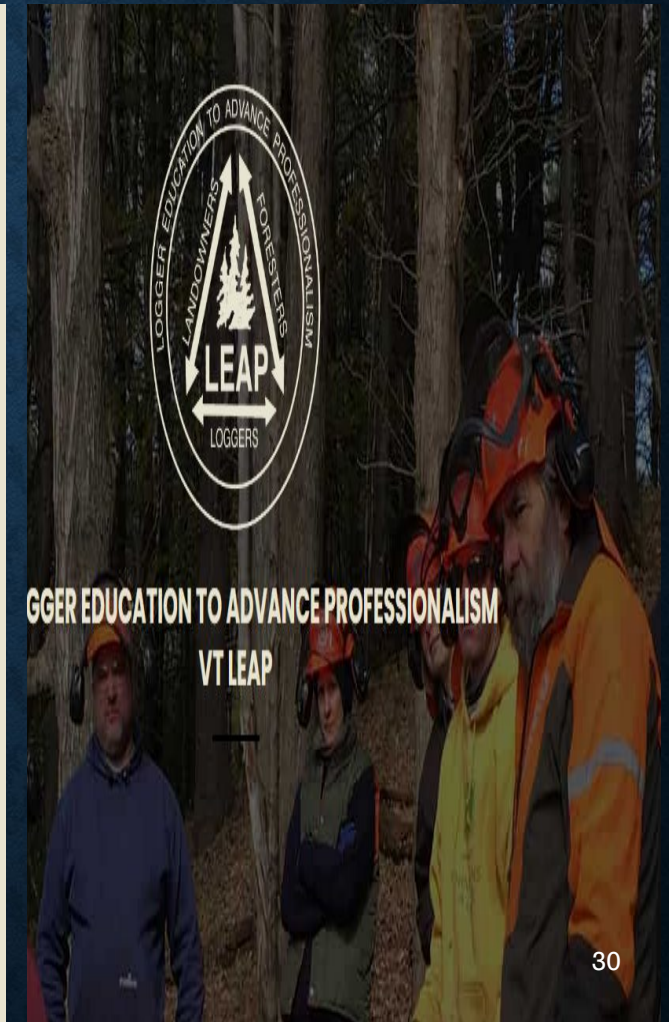
(c) Certificate of completion. The Commissioner, any logging safety instructor, or a logger safety certification organization shall issue a certificate of completion to each person who satisfactorily completes a logging operations accident prevention and safety training program based on the curriculum developed under this section. (Added 2019, No. 83, § 10.)

# LOGGER SAFETY

## THE LEAP MISSION

**THE PURPOSE OF THE VERMONT LEAP PROGRAM IS TO PROMOTE A PROFESSIONAL APPROACH TO LOGGING BY PROVIDING THE KNOWLEDGE NECESSARY FOR LOGGERS TO WORK SAFELY, EFFICIENTLY, AND IN AN ENVIRONMENTALLY CONSCIENTIOUS MANNER WHILE HARVESTING TIMBER IN VERMONT.**

*We recognize that the logging profession is an essential link between Vermont woodlands and forest industry. Along with landowners and foresters, loggers are partners in managing our forests for wood, water, wildlife and recreation. Vermont's forests have a legacy of providing these resources and are capable of sustaining these public benefits if properly managed. We see education as offering a positive approach, bringing everyone together to reach this common goal. The LEAP program is an instrument to encourage life-long learning among loggers. We will strive to promote professionalism through education and instill a stewardship ethic among loggers. The outcome of this endeavor, we envision, will be a well managed and productive forest landscape, and a positive public perception of the logging profession.*



# Savings For Vt. Loggers Is Aim

## *Program Cuts Insurance Cost*

| MARCH 12, 2020

BY ZOË NEWMARCO



Employers in Vermont are legally required to have workers' compensation insurance, but when it comes to loggers— one of the nation's most dangerous occupations—the price tag on that insurance is often exorbitant.

Unfortunately, with such high costs, some loggers may opt not to purchase the insurance for their employees,

# LOGGER SAFETY

Added 2019, No. 83, § 10



## **10 V.S.A. § 2622c. Financial assistance; logger safety; master logger certification; cost-share**

(a) The Commissioner of Forests, Parks and Recreation annually shall award grants to the following entities in order to provide financial assistance to loggers for the purposes of improving logger safety and professionalism:

(1) to the Vermont Logger Education to Advance Professionalism (LEAP) program to provide financial assistance to logging contractors for the costs of logger safety training or continuing education in logger safety; and

(2) to the Trust to Conserve Northeast Forestlands for the purpose of annually paying for up to 50 percent, but not more than \$1,500.00, of the costs of the initial certification of up to 10 logging contractors enrolled in the Master Logger Certification Program.

(b) The following costs to a logging contractor shall be eligible for assistance under the grants awarded under subsection (a) of this section:

(1) the costs of safety training, continuing education, or a loss prevention consultation;

(2) the costs of certification under the Master Logger Program administered by the Trust to Conserve Northeast Forestlands; or

(3) the costs of completion of a logging career technical education program.

(c) A grant awarded under this section shall pay up to 50 percent of the cost of an eligible activity. (Added 2019, No. 83, § 10.)

# USE VALUE APPRAISAL

## **32 V.S.A. § 3750. Statutory purposes**

The statutory purpose of the Vermont Use Value Appraisal Program in chapter 124 of this title is to preserve the working landscape and the rural character of Vermont. (Added 2013, No. 200 (Adj. Sess.), § 14.)

## **32 V.S.A. § 3751. Statement of purpose**

The purpose of this subchapter is to encourage and assist the maintenance of Vermont's productive agricultural and forestland; to encourage and assist in their conservation and preservation for future productive use and for the protection of natural ecological systems; to prevent the accelerated conversion of these lands to more intensive use by the pressure of property taxation at values incompatible with the productive capacity of the land; to achieve more equitable taxation for undeveloped lands; to encourage and assist in the preservation and enhancement of Vermont's scenic natural resources; and to enable the citizens of Vermont to plan its orderly growth in the face of increasing development pressures in the interests of the public health, safety, and welfare. (Added 1977, No. 236 (Adj. Sess.), § 1.)



# USE VALUE APPRAISAL

32 V.S.A. § 3752

(9) “Managed forestland” means:

(A) any land, exclusive of any house site, that is at least 25 acres in size and that is under active long-term forest management for the purpose of growing and harvesting repeated forest crops in accordance with minimum acceptable standards for forest management. Such land may include eligible ecologically significant treatment areas in accordance with minimum acceptable standards for forest management and as approved by the Commissioner; or

(B) any land, exclusive of any house site, that is:

(i) certified under 10 V.S.A. § 6306(b);

(ii) owned by an organization that was certified by the Commissioner of Taxes as a qualified organization as defined in 10 V.S.A. § 6301a and for at least five years preceding its certification was determined by the internal revenue service to qualify as a Section 501(c)(3) organization which is not a private foundation as defined in 26 U.S.C. § 509(a); and

(iii) under active conservation management in accord with standards established by the Commissioner of Forests, Parks and Recreation.

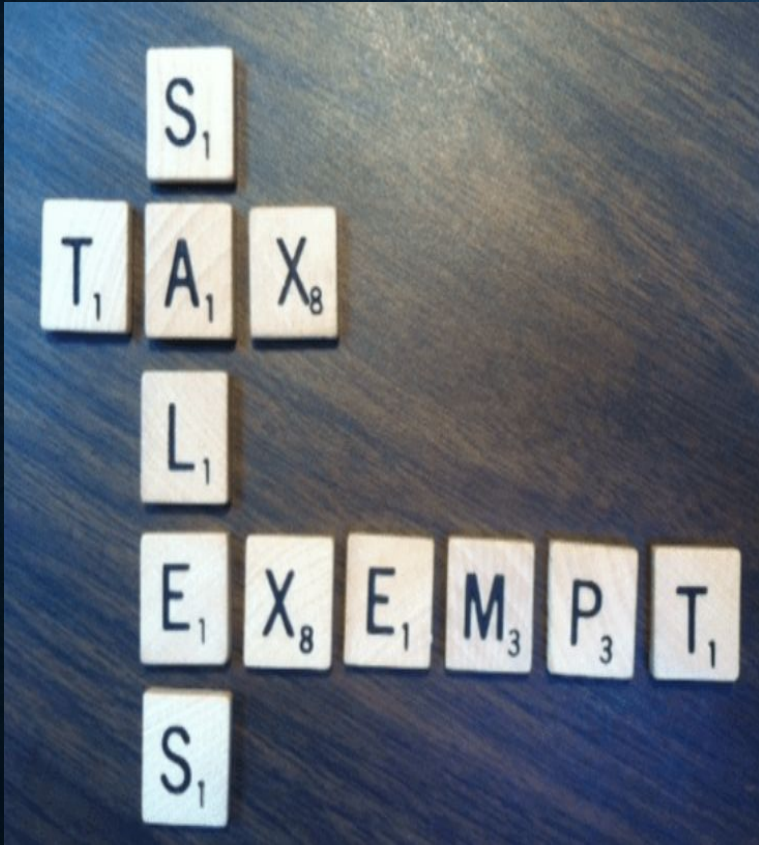
# USE VALUE APPRAISAL: ESTAs

- ❖ Managed forest land may include eligible ecologically significant treatment areas in accordance with minimum acceptable standards for forest management and as approved by the Commissioner. 32 V.S.A. § 3752.
- ❖ Approved ESTAs are lands not necessarily managed for timber but require protective/conservation management.
- ❖ ESTAs that do involve active timber production will be subject to management standards.
- ❖ ESTAs not involving active timber management will require measures necessary to enhance or maintain the ecologically significant features.
- ❖ ESTAs can total no more than 20% of enrolled site I, II, and III forest lands.
- ❖ ESTAs include:
  - Natural Communities of Statewide Significance
  - Rare, Threatened, and Endangered Species
  - Riparian Areas
  - Vernal Pools with Amphibian Breeding Habitat
  - Forested Wetlands
  - Old Forests



Once land is enrolled, it is subject to a contingent lien. If this land is **ever** developed, a **lien** for the amount of the land use change tax is placed on the land. Once the land use change tax is paid, the lien is released. **The land use change tax is calculated as 10% of the fair market value of the developed parcel or portion of a parcel.** When a portion of a parcel is withdrawn or developed, the fair market value of the portion is **determined by valuing the portion as a stand-alone parcel.**

Department of Taxes



### 32 V.S.A. § 9741. Sales not covered

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

\* \* \*

(51) The following machinery, including repair parts, used for timber cutting, timber removal, and processing of timber or other solid wood forest products intended to be sold ultimately at retail: skidders with grapple and cable; feller bunchers; cut-to-length processors; forwarders; delimbers; loader slashers; log loaders; whole-tree chippers; stationary screening systems; firewood processors, elevators, and screens; and when sold for use on any machinery listed under this subdivision, traction enhancement accessories, tire chains, track systems, and winch cables. The Department of Taxes shall publish guidance relating to the application of this exemption.

(52) Advanced wood boilers, as defined in section 9701 of this title.

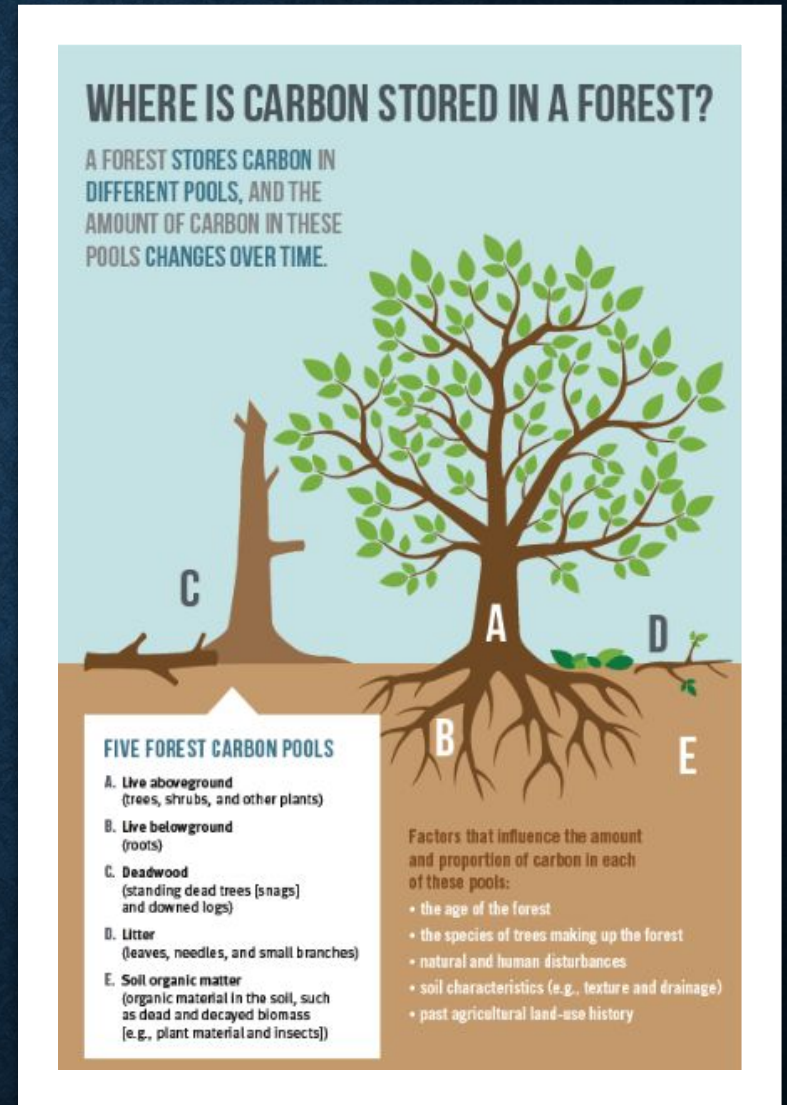
# CARBON SEQUESTRATION

2019 Acts & Resolves No. 83, Sec. 9.

## VERMONT FOREST CARBON SEQUESTRATION WORKING GROUP; REPORT

(a) Creation. There is created the Vermont Forest Carbon Sequestration Working Group to study how to create a Statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets.

\* \* \*



# CARBON SEQUESTRATION WORKING GROUP

(c) Powers and duties. The Working Group shall study how to create a statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets, and shall:

(1) evaluate the current status of carbon sequestration markets, including:

(A) review of available information on the feasibility of enrolling public and private land from Vermont in a carbon sequestration market, including review of existing feasibility analyses specific to the development of forest carbon sequestration projects in New England and Vermont;

(B) examples from forest carbon sequestration project development on public land in other states; and

(C) if available, technical assistance programs developed by other states and organizations to assist private landowners in engaging in carbon sequestration markets;

(2) evaluate the economic and environmental case for encouraging forest carbon sequestration offset projects in Vermont;

(3) analyze how to best market and sell carbon credits from State-owned and privately owned forestland in carbon sequestration markets;

(4) determine how to develop economies of scale in marketing and selling carbon credits in carbon sequestration markets;

(5) evaluate how to utilize financial incentives and existing forest management and certification programs and Vermont's Use Value Appraisal program to maximize the potential value of forestland in carbon sequestration markets while also enhancing conservation and other goals;

(6) review how to structure and regulate a Statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets, including how the program should be governed, whether the program should be governed by a State agency, how forestland will be assessed and enrolled, how parcels and landowners will enter and leave the program, how landowners will be paid, and how requirements and standards concerning forest management will be applied and enforced;

(7) estimate expected revenue from enrolling forestland in carbon markets and how that revenue should be allocated to:

(A) support the governance structure, management, and oversight of the program;

(B) fairly compensate landowners; and

(C) encourage enrollment in the program; and

(8) any other issue the Working Group deems relevant to designing and implementing a statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets.

## Vermont Forest Carbon Sequestration Working Group

### Final Report

January 4, 2020

#### Working Group Membership

Commissioner Michael Snyder, Chair – Commissioner, VT Department of Forest, Parks, and Recreation

Representative John L. Bartholomew – Windsor-1

Jack Byrne – Director of Sustainability Integration, Middlebury College, *House appointee*

Cecilia Danks, PhD – Associate Professor & Gund Fellow, Environmental Program & Forestry, Rubenstein School of Environment & Natural Resources, University of Vermont, *House appointee*

Senator Ruth Hardy – Addison District

Representative Mark Higley – Orleans-Lamoille

Senator Corey Parent – Franklin District

Jim Shallow – Director of Strategic Conservation Initiatives, The Nature Conservancy-Vermont Chapter, *Senate appointee*

Robert Turner – Independent forestry consultant, *Senate appointee*

Stephen Webster – Private forest landowner, *Governor appointee*

## Executive Summary

This report of the Vermont Forest Carbon Sequestration Working Group (Working Group) makes seven policy recommendations following a four-month investigation into the viability of enrolling Vermont forests into carbon offset markets. The report offers an explanation of the forest carbon sequestration and storage process to provide a scientific context for the discussion of forest carbon markets and projects. The report offers an overview of the current status of carbon offset markets and feasibility analyses for Vermont and New England projects and examples of programs in other states. The report then provides an economic and environmental rationale for forest carbon offset projects in Vermont. The report also addresses avenues for marketing carbon offset credits in Vermont and how projects on State and municipal lands could be beneficial in a number of ways.

Further, there is an in-depth analysis of factors to consider for entering forestland in Vermont into carbon markets, including program rules and protocols and interactions with Vermont's Use Value Appraisal (UVA)/Current Use program. The report ends with an analysis of the potential for a statewide program and an example of potential estimated revenue from carbon offset projects. The Working Group found merit in continuing the work and analysis that would move Vermont closer to realizing the potential benefits of entering Vermont forestland into carbon offset markets. Overall, keeping forests as forests and promoting forestry practices that best sequester and store carbon are crucial to Vermont's efforts to mitigate climate change and protect important State natural resources.

## Recommendations

- 1) The Department of Forests, Parks, and Recreation (DFPR) develop public information materials, including online and print materials, regarding the components of forest carbon offset protocols and markets, appropriate silvicultural practices, project development, and additional resources available for assistance and information. These materials should be designed for use by the general public, forest landowners, municipalities, and private organizations and businesses. Such materials should outline the compatibility of forest carbon offset projects with the Vermont Use Value Appraisal (UVA)/Current Use Program and other state and federal programs related to forestland management and carbon cycling and accounting.
- 2) By July 1, 2022, the Agency of Natural Resources (ANR) analyze the feasibility of developing a forest carbon offset project for at least one parcel of state land. The purpose of this project would be to: a) build staff expertise that could be used to assist municipalities and private land owners with enrollment in carbon markets; b) provide a public model of exemplary pro-carbon, climate-resilient forestry; c) serve as a potential anchor, if feasible, around which an aggregation project could be developed; and d) generate revenue that could be appropriated to fund land management stewardship, recreational improvements, greenhouse gas (GHG) emissions reduction projects, and additional land conservation or carbon offset efforts. Such an analysis may include engaging the services of an expert forest carbon project developer.
- 3) Department of Forests, Parks, and Recreation work with municipalities to explore opportunities to develop a pilot carbon offset project that includes town forests and/or urban forestry activities. FPR should use insights gained from the pilot effort to create a framework for providing assistance to Vermont municipalities in developing forest carbon offset projects. This pilot would also help determine viable options for aggregation and provide local examples of climate resilient forestry for municipalities, forest landowners, and community members.
- 4) The Agency of Natural Resources explore partnerships, through a formal contract or memorandum of understanding, with private sector organizations that have experience in carbon offset projects in order to create statewide public-private partnerships that could work to minimize the costs and maximize the benefits of enrolling public and private lands in carbon offset market programs.
- 5) If the State of Vermont were to create a state carbon accounting system or protocols as a component of a greenhouse gas emissions reduction program or climate initiative, the State should develop and adopt rules that prevent double counting of carbon. For example, if Vermont forest carbon offsets were sold to account for GHG emissions in California, they should not also be counted as offsets for Vermont GHG emissions.
- 6) If changes were to be considered in the UVA program, the State should avoid program requirements that may constrain carbon offset project viability for lands enrolled in UVA.
- 7) Given the need to expand ANR and FPR capacity, funding options should be explored to provide additional staffing and resources to complete the work recommended above.

Note: None of these recommendations should be interpreted to force private landowners to participate in forest carbon offset projects.

# ACT 250 PROPOSED CHANGES

Sec. X. 10 V.S.A. § 6086(c) is amended to read:

(c)(1) Permit conditions. A permit may contain such requirements and conditions as are allowable proper exercise of the police power and which are appropriate within the respect to subdivisions (a)(1) through (10) of this section, including those set forth in 24 V.S.A. §§ 4414(4), 4424(a)(2), 4414(1)(D)(i), 4463(b), and 4464, the dedication of lands for public use, and the filing of bonds to ensure compliance. The requirements and conditions incorporated from Title 24 may be applied whether or not a local plan has been adopted. General requirements and conditions may be established by rule of the Natural Resources Board.

(2) Permit conditions on a forest-based enterprise.

(A) A permit condition that sets hours of operation for a forest-based enterprise shall only be imposed to mitigate an impact under subdivision (a)(1), (5), or (8) of this section.

(B) Unless an impact under subdivision (a)(1) or (5) of this section would result, a permit issued to a forest-based enterprise shall allow the enterprise to ship and receive forest products outside regular hours of operation. These permits shall allow for deliveries of forest products from forestry operations to the enterprise outside permitted hours of operation, including nights, weekends, and holidays, for a minimum of 60 days per year.

(C) In making a determination under this subdivision (2) as to whether an impact exists, the District Commission shall consider the enterprise's role in sustaining forestland use and the impact of the permit condition on the forest-based enterprise. Conditions shall impose the minimum restriction necessary to address the undue adverse impact.

(3) Permit conditions on the delivery of wood heat fuels. A permit issued to a forest-based enterprise that produces wood chips, pellets, cord wood, or other fuel wood used for heat shall allow shipment of that fuel wood from the enterprise to the end user outside permitted hours of operation, including nights, weekends, and holidays, from October 1 through April 30 of each year.

(4) Permit conditions on agricultural supply companies. A permit issued to an agricultural supply company shall not contain conditions that prevent vehicle trips to or from the company outside permitted hours of operation, including nights, weekends, and holidays.

(5) Forest-based enterprises and agricultural supply companies holding a permit may request an amendment to existing permit conditions to be consistent with subdivisions (2), (3), and (4) of this subsection. Requests for condition amendments under this subsection shall not be subject to Act 250 Rule 34(E).

# 2016 FOREST MANAGEMENT BILL

## H.584 of 2016: Harvest Notification

(a) Notification required. Except as provided in subsection (b) of this section, at least seven days prior to commencing a timber harvest, the landowner on whose property the timber harvest is to take place shall file with the Commissioner a harvest notification on a form prescribed by the Commissioner.

(b) Exemptions. A timber harvest in the amount of less than 20 cords of firewood or less than 10,000 board feet annually shall be exempt from the harvest notification requirement.

\* \* \*

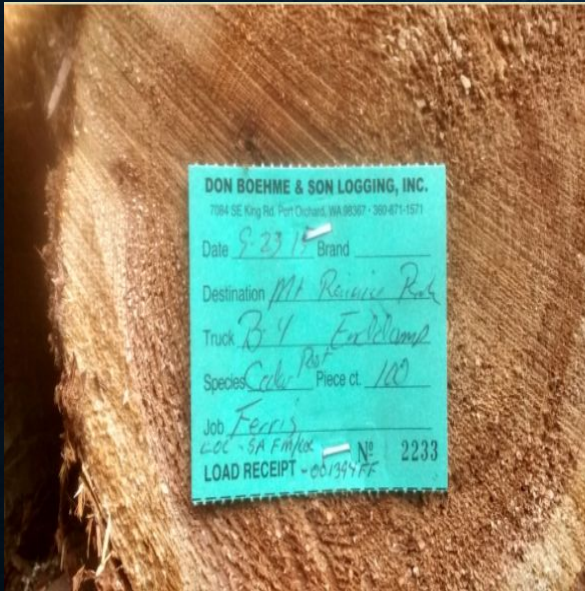


# 2016 FOREST MANAGEMENT BILLS

## H.584 of 2016: Trip Tickets

(a) Trip ticket required. Except as provided in subsection (b) of this section, every load of forest products that is transported from the location of a timber harvest to the location of first measurement shall be accompanied by a trip ticket containing at a minimum the following information:

- (1) The name, signature, legal mailing address, address of the principal place of business or residence, e-mail address, and telephone number of the person transporting the forest products.
- (2) The date the forest products are transported.
- (3) The harvest notification number issued by the Commissioner under section 2613 of this title for the timber harvest.
- (4) The destination where the forest products will be transported to and the expected date of delivery.
- (5) The name of the purchaser of the forest products.
- (6) The volume of the forest products on the load to be transported in thousand board feet, cords, or tons.
- (7) The load number for the harvest. Each load of forest products transported from the timber harvest shall be assigned a distinct load number by the transporter that is associated with that timber harvest.



## Find Legislative Reports

- Intergenerational Transfer of Forestland Working Group Recommendations (2016, Act 171)
- DFPR Report on Forest Integrity Study Committee Report (2016, Act 171)
- DFPR Report on Implementation of Harvest Notification in Vermont, 2016 (2015, Act 171, Sec. 5)
- DFPR Report on Recommendations in Support of Forest Health and Integrity (2015, Act 61)
- DFPR County Forester Staffing and UVA Delivery Legislative Report (2015, Act 57)
- VHCB Farm & Forest Viability Program Annual Report – 2020 (6 V.S.A. § 4710(f), 10 V.S.A. § 325m)
- DFPR Report on Sugarbush Enrollment Options in UVA (2015, Act 64, Sec. 50)
- DFPR Maple Sugaring on State Forest and State Park Land, January 2010 (2009, Act 21)



**COMMISSIONER  
RECOMMENDATIONS:  
THE DEPARTMENT USUALLY  
RECOMMENDS SOME CHANGES  
EACH SESSION**

